

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 648 - SB 1183

March 6, 2013

SUMMARY OF BILL: Reduces, from 0.000375 percent to 0.00025 percent of all sales, the business tax rate levied on gasoline and diesel fuel wholesalers.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$909,600

Decrease Local Revenue – \$1,260,300

Assumptions:

- According to the Department of Revenue (DOR), and based on DOR's analysis of gasoline and diesel fuel wholesalers' business tax returns, reducing the tax rate from 0.000375 percent to 0.00025 percent of all sales would result in a recurring decrease in total business tax collections of approximately \$2,169,900.
- The recurring decrease in state revenue, beginning with FY13-14, is estimated to be approximately \$909,600.
- The recurring decrease in local government revenue, beginning with FY13-14, is estimated to be approximately \$1,260,300.
- The Fiscal Review Committee staff does not have access to the data and information upon which these calculations are based and cannot independently verify their accuracy.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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